

**LETTER OF AGREEMENT
FOR**

This Agreement made as of August 20, 2021, between South Carolina Public Service Authority of One Riverwood Drive, P.O. Box 2946101, Moncks Corner, SC 29461-6101 (hereinafter called "Santee Cooper") and Black & Veatch Management Consulting, LLC, 11401 Lamar Avenue, Overland Park, KS 66211 (hereinafter called the "Consultant").

WHEREAS, Santee Cooper desires the Consultant to perform an assessment of the management and operations of Santee Cooper for a three year period as outlined in Exhibit A, attached.

WHEREAS, the Consultant represents that he has sufficient experienced personnel and knowledge to perform, and Santee Cooper desires the Consultant to perform the assessment services herein described,

NOW, THEREFORE, in consideration of the mutual undertaking herein contained, Santee Cooper and the Consultant agree as follows:

**ARTICLE I
GENERAL**

Section 1. The Consultant shall, upon receipt of an executed original Agreement from Santee Cooper, furnish consulting, assessments, and other services as outlined in Exhibit A, attached.

Section 2. This Agreement shall serve as the sole and entire Agreement between Santee Cooper and the Consultant. In no event shall this Agreement include the Consultant's terms and conditions or other provisions submitted by the Consultant unless explicitly agreed to in writing and signed by a duly authorized representative of Santee Cooper.

**ARTICLE II
BASIC DATA FURNISHED BY SANTEE COOPER**

Section 1. Santee Cooper shall furnish to the Consultant and the Consultant shall retain in his office during the term of this Agreement copies of all pertinent information as necessary for the services to be provided. The Consultant shall deliver to Santee Cooper a written itemized receipt for such material and shall be responsible for its safe keeping and shall return it upon request, in as good condition as when received, normal wear and tear excepted.

Section 2. If pertinent information required by the Consultant for performance of the services included herein is not available to the Consultant, Santee Cooper and the Consultant shall agree upon the means of obtaining the necessary data.

**ARTICLE III
TERM OF AGREEMENT**

Section 1. This three-year Agreement shall become effective as of the date hereof and shall remain in effect until services as outlined in Exhibit A are completed.

**ARTICLE IV
INDEPENDENT CONTRACTOR**

Section 1. During the performance of the Agreement, the Consultant shall be an independent contractor and not an agent of Santee Cooper. The Consultant shall supervise the performance of its own services and shall have control of the manner and means by which its services are performed, subject to compliance with the Agreement and any plans, specifications, schedules or other items approved by Santee Cooper.

ARTICLE V **ASSIGNMENT**

Section 1. The Consultant shall not assign this Agreement or any part thereof, or any monies due or to become due hereunder, without the written approval of Santee Cooper.

ARTICLE VI **SUBCONTRACTORS AND RELATIONS TO CONSULTANT**

Section 1. The Consultant shall submit with the proposal and or as the work progresses, the names of any subcontractors proposed for the principal parts of the work. Subcontractor's names must be received in writing and approved by Santee Cooper prior to their award or start of any work.

Section 2. Santee Cooper reserves the right to reject any subcontractors, whether named in the proposal or otherwise offered by the Consultant.

Section 3. Nothing contained in the Agreement shall create any contractual relation between any subcontractor and Santee Cooper.

Section 4. The Consultant agrees that he is fully responsible to Santee Cooper for the acts and omissions of his subcontractors and of persons either directly or indirectly employed by them.

Section 5. The Consultant agrees to bind every subcontractor and every subcontractor shall be bound by the terms of the Agreement as far as applicable to his work, unless specifically noted to the contrary in an Amendment approved in writing by Santee Cooper.

Section 6. The Consultant proposes to use the following named subcontractors for principal parts of the work.

<u>Name</u>	<u>Type of Work</u>	<u>Amount of Contract</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____

ARTICLE VII **GOVERNING LAWS**

Section 1. This Agreement will be governed by and construed in accordance with the laws of the State of South Carolina; and any legal action associated with this Agreement must be initiated with any court of competent jurisdiction within the State of South Carolina.

ARTICLE VIII **INDEMNIFICATION AND INSURANCE**

Section 1. The Consultant shall indemnify and hold Santee Cooper, joint ventures, agents, and employees harmless from and against all liability claims and demands on account of damages to persons or property, including death to employees of the Consultant or his suppliers or subcontractors, arising out of or connected with the performance of this Agreement if and to the extent caused by the negligence of the Consultant, his subcontractors, suppliers, agents, employees, or otherwise. The Consultant shall at his own expense, defend any and all actions based herein and pay all attorney's fees, costs and expenses arising therefrom.

Without limiting any of the other obligations or liabilities of the Consultant, the Consultant shall provide and maintain, until the services are completed and accepted by Santee Cooper, **minimum** insurance coverage as follows (Aircraft insurance is required only when the Agreement requires the use of aircraft or when the Consultant elects to use an aircraft in conjunction with the Agreement).

a. Aircraft Liability – If Required for this Contract

(1) Combined single limit, bodily injury/property damage – \$2,000,000

(2) Passenger liability of at least \$100,000 per seat

If to be used more than thirty (30) consecutive days – \$10,000,000 bodily injury/property damage

b. Workers' Compensation

(1) Statutory – Subject to the laws of the State of South Carolina

(2) Employer's Liability –

a. Bodily injury by accident – \$500,000 each accident

b. Bodily injury by disease – \$500,000 each employee

c. Commercial General Liability – Occurrence Form

Minimum \$1,000,000 limit – Personal injury/property damage:

Coverage A should include premises, operations, products and completed operations, independent contractors, contractual liability covering this agreement or contract, fire legal liability and broad form property damage coverages.

Coverage B should include personal injury and advertising injury.

Coverage C should include medical payments.

d. Comprehensive Automobile Liability

Minimum limit of \$500,000 – bodily injury and property damage;

Automobile Liability coverage is to include bodily injury and property damage arising out of operation, maintenance or use of any auto, including owned, non-owned and hired automobiles and employee non-ownership use.

e. Professional Liability (Errors and Omissions) – \$1,000,000 per claim and in the aggregate

CERTIFICATES OF INSURANCE

Certificates of such insurance are to be provided to Santee Cooper before commencement of any work under this Agreement. Certificates of Insurance shall provide that Santee Cooper shall be notified at least 30 days in advance of cancellation, non-renewal or adverse change. New Certificates of Insurance are to be provided to Santee Cooper at least 15 days prior to coverage renewals. If required by Santee Cooper, the Consultant shall furnish copies of the Consultant's insurance policies, forms and endorsements.

Receipt of Certificates or other documentation of insurance or policies or copies of policies by Santee Cooper or any of its representatives which indicate less coverage than required does not constitute a waiver of the Consultant's obligation to meet the insurance requirements herein. All insurance contracts shall be countersigned by a resident agent or attorney in fact, and complete address and telephone number shall be provided with certificates.

As respects to general, automotive, and aircraft liability insurance, Santee Cooper shall be an additional insured on the policy. The Certificate of Insurance will indicate Santee Cooper as an additional insured.

As respects to aircraft liability insurance, the Certificate will show specific activity or activities which the Consultant will be performing. Certificate will also show as a separate statement that Consultant's aircraft liability insurance is the primary insurance as respects any occurrence.

ADDITIONAL REQUIREMENTS

The Consultant shall not allow any subcontractor to commence work on his subcontract until the Consultant has determined that the subcontractor has met the minimum insurance requirements specified in Article VIII.

Insurance required of the Consultant or any subcontractor shall be considered primary, and insurance of Santee Cooper shall be considered excess, as may be applicable to claims which arise out of the hold harmless, insurance, additional insurance and Certificates of Insurance provisions of this Agreement.

Note that Commercial General Liability is to be based on the occurrence form and not claims made unless otherwise approved in writing by Santee Cooper. Further, Consultant's general liability insurance policy shall contain no condition or endorsement that prohibits Santee Cooper as an additional insured from making claim under said policy against Consultant as named insured.

All coverage required herein shall be placed with carriers that are acceptable to Santee Cooper, and coverage should be provided by insurance carriers which are licensed (also referred to as admitted) by the State of South Carolina or by insurance carriers which are acceptable as surplus line carriers (also referred to as acceptable non admitted carriers) by the State of South Carolina.

Precautions shall be exercised at all times by the Consultant for the protection of all persons, including employees and property. The Consultant shall make special effort to detect hazardous conditions and shall take prompt action where loss control safety measures should reasonably be expected.

ARTICLE IX **STANDARD OF PERFORMANCE**

Section 1. The obligations and duties to be performed by the Consultant under this Agreement shall be performed by persons qualified to perform such duties efficiently. The Consultant, if Santee Cooper shall so direct, shall replace any person employed by the Consultant in connection with the services under this Agreement.

Section 2. The Consultant shall perform its services with care, skill, and diligence, in accordance with the applicable professional standards currently recognized by such profession, and shall be responsible for the professional quality, technical accuracy, completeness, and coordination of all reports, designs, drawings, plans, information, specifications, and other items and services furnished under the Agreement. The Consultant shall comply with all applicable federal, state and local laws, ordinances, codes and regulations in performing its services. If the Consultant fails to meet applicable professional standards, and Santee Cooper has notified the Consultant in writing of such failure within the six-month period following completion of the Services, the Consultant shall without additional compensation correct or revise any errors or deficiencies in its reports, drawings, specifications, designs and other items or services.

The Consultant's liability to Santee Cooper for failure to comply to such standards of performance set forth above shall be limited to:

- a. Reperforming, at Consultant's expense, services to correct any deficiencies which result from the Consultant's failure to perform in accordance with the applicable professional standards; and

Section 3. The obligations and representations contained in this Article IX are Consultant's sole warranty and guarantee obligations and Santee Cooper's exclusive remedy in respect of quality of the Services. EXCEPT AS PROVIDED IN THIS ARTICLE, CONSULTANT MAKES NO OTHER WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. This Article governs, modifies, and supersedes any other terms in this Agreement which may be construed to address warranties or guarantees or the quality of the Services.

Section 4. In performance of the Services, it is acknowledged that Consultant may be supplied with certain information and/or data by Santee Cooper and/or others, and that Consultant will rely on such information. Therefore, the accuracy of such information is not within Consultant's control and Consultant shall not be liable for its accuracy, nor for its verification unless otherwise provided in the Request. Since Consultant has no control over the cost of labor, materials, or equipment furnished by others, or over the resources provided by others (including Santee Cooper) to meet project schedules, Consultant's opinion of probable costs and of project schedules shall be made on the basis of experience and qualifications as a professional consultant. Consultant does not guarantee that proposals, bids, revenues, costs, and other cash requirements, or actual operating and project costs will not vary from Consultant's estimates or that actual schedules will not vary from Consultant's projected schedules.

ARTICLE X

SANTEE COOPER REVIEW AND APPROVAL

Section 1. Unless otherwise agreed to by express written statement in the Agreement, Santee Cooper's review and approval of concepts, reports, specifications, drawings, and related documents developed by the Consultant for the Agreement, shall in no way or manner relieve or lessen the Consultant's responsibility under the Agreement or the professional quality, technical accuracy, and completeness of such documents.

ARTICLE XI

OWNERSHIP OF DOCUMENTS

Section 1. All concepts, plans, drawings, specifications, calculations, reports, and other documents prepared by the Consultant under this Agreement shall become the property of Santee Cooper when Consultant has been compensated for Services rendered. At Santee Cooper's request such documents shall be delivered to Santee Cooper upon the completion of the Consultant's services under the Agreement; however, the Consultant may retain and use copies thereof. Such use shall be limited as dictated by Article XII concerning confidentiality and public announcement. Nothing in this Section shall be construed as limiting or depriving Consultant of its rights to use its basic knowledge and skills to design or carry out other projects or work for itself or others, whether or not such other projects or work are similar to the work to be performed pursuant to this Agreement.

Section 2. Rights to intellectual property developed, utilized, or modified in the performance of the Services shall remain the property of Consultant. Client shall not acquire any rights to any of Consultant's, its subcontractors' or vendors' proprietary computer software that may be used in connection with the Services except as expressly provided in the Request or as may be separately agreed. Files delivered in electronic medium may not work on systems and software different than those with which they were originally produced. Consultant makes no warranty as to the compatibility of these files with any other system or software. Because of the potential degradation of electronic medium over time, in the event of a conflict between any specifications, reports, or other documents and electronic files, the original will govern.

Section 3. Documents, including, but not limited to, drawings, specifications, reports, electronic files, and computer software prepared by Consultant pursuant to this Agreement, are instruments of service in respect to the project. They are not intended or represented to be suitable for reuse by Client or others on extensions of the project or on any other project. Any reuse or sharing with third parties other than Board of Directors of Santee Cooper, the ORS, and the Authority Review Committee without prior written approval, and verification or adaptation by Consultant for the

specific purpose intended will be at Client's sole risk and without liability or legal exposure to Consultant. Client shall defend, indemnify, and hold harmless Consultant against all claims, losses, damages, injuries, and expenses, including attorneys' fees, arising out of or resulting from such reuse.

ARTICLE XII

CONFIDENTIALITY AND PUBLIC ANNOUNCEMENT

Section 1. The Consultant shall treat as confidential all information, concepts, reports, designs, drawings, specifications and documents, regardless of form, that the Consultant received and or developed for Santee Cooper in connection with this Agreement as may be required by law. Any written information and data that is deemed proprietary and confidential must be clearly marked or otherwise designated as "confidential" or with a legend to similar effect; and information and data transmitted orally that is deemed proprietary and confidential must be identified during the discussion thereof as confidential, and confirmed and designated in writing promptly after the oral disclosure. The Consultant shall take all precautions necessary to prevent disclosure of these documents and information to others except upon the express written approval of Santee Cooper. The Consultant's confidentiality obligation hereunder shall not extend to information which: (i) at the time of disclosure, is or becomes a part of the public domain by publication or otherwise through no fault of the Consultant; (ii) the Consultant can show was in its possession at the time of disclosure; or (iii) is subsequently disclosed to the Consultant by a third-party, which information receiving party reasonably believes has not been wrongfully acquired, directly or indirectly.

Section 2. No publicity releases (including news releases and advertising) relating to this Agreement and services hereunder shall be issued by the Consultant without prior written approval of Santee Cooper. Any inquiry which the Consultant may receive from news media concerning this Agreement will be referred to Santee Cooper for coordination prior to response.

ARTICLE XIII

COMPENSATION

Section 1. Santee Cooper shall compensate the Consultant for services performed hereunder as follows:
An estimated project cost of \$435,000 based on the pricing and estimates provided by Black and Veatch as outlined in Exhibit A, attached.

Section 2. In the event that this Agreement exceeds \$10,000, and the Consultant is a non-resident, the Consultant is required to complete South Carolina Department of Revenue Form I-312, "Nonresident Taxpayer Registration Affidavit - Income Tax Withholding" (Exhibit D), in accordance with Section 12-8-550 (as amended) of the Code of laws of South Carolina. This form should be submitted to Santee Cooper prior to submission of the first payment application by the Consultant. If the Consultant is a non-resident, and Form I-312 is not on file with Santee Cooper, Santee Cooper is required by State law to withhold 2% from each and every payment.

ARTICLE XIV

COST RECORDS AND ACCOUNTING

Section 1. The Consultant shall keep accounts, books and other records of all its billable charges incurred in performing its services under this Agreement and shall submit its billings as set forth under Article XIII, COMPENSATION. The Consultant's books and accounts shall be maintained in accordance with generally accepted accounting practices consistently applied, and in such a manner as to permit verification of all entries made. Immediately upon execution of the contract and for a period of three years from final payment under the Agreement, the Consultant shall preserve all such books and records, and shall upon three days written notice make such records available to Santee Cooper, its agents, and or representatives for purposes of verifying the costs chargeable under the Agreement.

ARTICLE XV

TERMINATION

Section 1. Santee Cooper shall have the right to terminate this Agreement for its convenience, in whole or in part, at any time by written notice. In the event of such termination, the Consultant shall promptly comply with the directions contained in such notice and shall, subject to direction, take action as may be necessary to terminate the services and minimize its costs and liability with respect to the terminated services. An equitable adjustment in the price of the Agreement for additional costs incurred by the Consultant as a direct result of such termination will be negotiated.

Section 2. Termination charges, if any, shall include reasonable profit only on services performed prior to notice of termination and shall reflect the actual services performed and actual costs resulting from termination. The Consultant shall take all reasonable steps to minimize termination charges. At its option and expense Santee Cooper may conduct an audit to verify that termination charges are reasonable and proper.

Section 3. In addition to Santee Cooper's right to terminate for its convenience, Santee Cooper may, by written notice to the Consultant, terminate the whole or any part of this Agreement for nonperformance in the event:

- a. Consultant fails to perform services required within the time provided under this Agreement, or
- b. Reasonable grounds for insecurity arise with respect to the Consultant's expected performance and the Consultant fails to furnish adequate assurance of due performance (including assurance of performance in accordance with the time requirement) within ten days after receipt of a written request by Santee Cooper for such adequate assurance, or
- c. Consultant becomes insolvent or makes an assignment for the benefit of creditors or commits an act of bankruptcy or files or has filed against it a petition in bankruptcy or reorganization proceedings.

The Consultant shall have ten (10) days after receipt of written notice in which to cure such non-performance before a termination under this Section 3 takes effect. In the event of such termination under Section 3, Santee Cooper shall have no liability to the Consultant for costs incurred by the Consultant as a result of such termination.

Section 4. The rights and remedies of Santee Cooper provided in this Article shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

Section 5. Should Santee Cooper become insolvent or bankrupt, or commit a breach or default of any of the covenants or obligations hereunder, and thereafter (a) fail to remedy the same within ten days after written notice thereof from Consultant if the breach constitutes a failure to pay money or (b) fail to commence to remedy the same within ten days after written notice thereof from Consultant and thereafter fail to proceed diligently in remedying the same if the breach is other than to pay money, then Consultant may terminate this Agreement. Should Consultant so terminate this Agreement, Consultant shall be paid for all costs incurred and compensation earned for Services performed to the date of termination and through demobilization, including any cancellation charges by subcontractors or vendors.

ARTICLE XVI

CONFLICT OF INTEREST

Consultant shall advise Santee Cooper in writing prior to the effective date of this Agreement, of any relationship with third parties, including but not limited to suppliers and competitors of Santee Cooper, which present a conflict of interest with the rendering of the services, or which could prevent Consultant from carrying out the terms of this Agreement or which could present a significant opportunity for the disclosure of confidential information. In addition, Consultant will promptly advise Santee Cooper of any such relationships that arise during the term of this Agreement. In the event Consultant fails to notify Santee Cooper of any such Conflict of Interests, Santee Cooper

may, at its option, terminate this Agreement, in whole or in part. In the event the Agreement is terminated in whole, the Consultant shall refund to Santee Cooper any money paid prior to the termination date for which Services have not been rendered.

ARTICLE XVII

EQUAL EMPLOYMENT OPPORTUNITIES

Section 1. Equal Opportunity Statement, EXHIBIT B, concerning Equal Employment Opportunities is attached and is incorporated into and made a part of this Agreement. For the purpose of this Agreement, the words "contract" and "contractor" on the Equal Opportunity Statement shall be interpreted as "Agreement" and "Consultant".

ARTICLE XVIII

SOUTH CAROLINA IMMIGRATION REFORM COMPLIANCE

Section 1. By submitting an offer, Consultant certifies that it will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws (originally enacted as Section 3 of The South Carolina Illegal Immigration Reform Act, 2008 S.C. Act No. 280) and agrees to provide upon request any documentation required to establish either: (a) the applicability of Title 8, Chapter 14 to Consultant and any subcontractors or sub-contractors; or (b) the compliance with Title 8, Chapter 14 by Consultant and any subcontractor or sub-subcontractor. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." Consultant agrees to include in any contracts with its subcontractors language requiring the subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in any contracts with the sub-subcontractors language requiring the subcontractor to comply with the applicable requirements of Title 8, Chapter 14.

ARTICLE XIX

DRUG FREE WORKPLACE CERTIFICATION

Section 1. In the event the dollar amount of this agreement equals or exceeds \$50,000.00, the Consultant must sign a "Certification Regarding Drug Free Workplace Requirements" in accordance with South Carolina state law. (See Exhibit C.)

ARTICLE XXI

FORCE MAJEURE

Section 1. Any delays in or failure of performance by Santee Cooper or Consultant, other than payment of money, shall not constitute default hereunder if, and to the extent, such delays or failures of performance are caused by occurrences or circumstances beyond the control of the Santee Cooper or Consultant, as the case may be, including, but not limited to: acts of God or the public enemy; expropriation or confiscation of facilities; compliance with any order or request of any governmental authority; act of war, rebellion, or sabotage or damage resulting therefrom; fires, floods, explosions, accidents; riots or strikes or other concerted acts of workmen, whether direct or indirect; or any other causes, whether or not of the same class or kind as those specifically above named, which are not within the control of Santee Cooper or Consultant respectively, and which by the exercise of reasonable diligence, Santee Cooper or Consultant are unable to prevent.

Should such circumstances occur, the non-performing party shall, within a reasonable time of being prevented from performing, give written notice to the other party describing the circumstances preventing continued performance and the efforts being made to resume performance of this Agreement. Consultant shall be entitled to an equitable adjustment in schedule and compensation in the event such circumstances occur.

ARTICLE XXII LIMITATIONS

Section 1. Neither party shall be liable to the other party for loss of profits or revenue; loss of use; loss of opportunity; loss of goodwill; cost of substitute facilities, goods or services; cost of capital; cost of replacement power; governmental and regulatory sanctions; and claims of customers for such damages; or for any special, consequential, incidental, indirect or exemplary damages whether a claim for any such loss arises out of breach of contract, warranty, tort (including negligence), strict liability, indemnity, or another theory. Except for an obligation to make payments, neither party shall be in default to the extent any nonperformance is caused by a circumstance beyond such party's reasonable control. The warranties, obligations, liabilities and remedies of the parties, as provided herein, are exclusive and in lieu of any others available at law or in equity. Consultant's total aggregate liability under this Agreement shall not exceed the compensation received by Consultant under this Agreement. To the fullest extent allowed by law, releases from, and limitations of liability shall apply notwithstanding the breach of contract, tort including negligence, strict liability or other theory of legal liability of the party released or whose liability is limited. Consultant may subcontract portions of the Services to its related entities.

ARTICLE XXIII EXISTING PROPERTY INSURANCE

Section 1. If Santee Cooper purchases, or causes a construction contractor to purchase, a builder's all-risk or other property insurance policy for a project, Santee Cooper shall require that Consultant be included as a named insured on such policy without liability for the payment of premiums and that the insurer waives all rights of subrogation against Consultant.

ARTICLE XXIV CONSTRUCTION/SAFETY DISCLAIMER

Section 1. Consultant shall be responsible for the safety of its own employees at all times during the performance of this Agreement. Consultant shall not, however, have control or charge of and shall not be responsible for construction means, methods, techniques, sequences, or procedures of construction; for the acts or omissions of Santee Cooper's contractors, vendors or suppliers; or for the safety or environmental precautions and programs in connection with the work performed by Santee Cooper's contractors, vendors or suppliers. Consultant shall not be responsible for the adequacy or completeness of any other entity's safety or environmental programs, procedures, or precautions at the job site, and Consultant shall not have the authority to stop such other entity's work.

ARTICLE XXV HAZARDOUS MATERIALS

Section 1. "Pre-existing Contamination" is any hazardous or toxic substance, material, or condition present at the job site that was not brought onto such site by Consultant. Notwithstanding anything in this Agreement to the contrary, title to, ownership of, and legal responsibility and liability for Pre-existing Contamination shall at all times remain with Santee Cooper. Santee Cooper agrees to release, defend, indemnify, and hold Engineer harmless from and against any and all liability and claims, including attorneys' fees, that may in any manner arise in any way directly or indirectly from such Pre-existing Contamination. Santee Cooper shall, at Santee Cooper's sole expense and risk, arrange for handling, storage, transportation, treatment, and delivery for disposal of Pre-existing Contamination. Santee Cooper shall be solely responsible for obtaining a disposal site for such material. Santee Cooper shall look to the disposal facility and transporter for any responsibility or liability arising from improper disposal or transportation of such material. Consultant shall not have or exert any control over Santee Cooper in Santee Cooper's obligations or responsibilities as a generator in the storage, transportation, treatment, or disposal of any Pre-existing Contamination. Santee Cooper shall complete and execute any forms or certificates relating to regulated activities, including generation, storage, handling, treatment, transportation, or disposal of Pre-existing Contamination. In the event that Consultant executes or completes any such forms or certificates, Consultant shall be, and be deemed to have acted as, Consultant's agent.

**ARTICLE XXVI
 ENTIRE AGREEMENT**

Section 1. This Agreement constitutes the entire agreement of the parties hereto, and supersedes any previous agreement or understandings. It may not be modified except in writing executed by an authorized officer of each party.

In WITNESS WHEREOF, the parties hereto have executed this Agreement.

For Santee Cooper

For Black & Veatch Management Consulting, LLC
 Consultant Name

By Byron Rodgers
 Authorized Signature

Accepted
 By Chris Klausner
 Authorized Signature

Byron Rodgers
 Name

Chris Klausner
 Name

Director, Supply Chain Management
 Title

Associate Vice President
 Title

August 23, 2021
 Date

8/24/2021
 Date

Julie Cronin
 Witness

8/24/2021
 Date

Exhibit A

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding ("MOU") is made and entered into as of August 23, 2021,

BETWEEN: Black & Veatch Management Consulting, LLC ("Consultant")

AND: Board of the South Carolina Public Service Authority ("Authority")

A) Background and Purpose:

Black & Veatch Management Consulting, LLC ("Consultant"), a wholly owned subsidiary of Black & Veatch Holding Company ("Black & Veatch"), understands that the Board of the South Carolina Public Service Authority ("Authority") would like to retain Consultant to assess whether the Authority has managed its facilities and business in accordance with good utility practice. Consultant's assessment should cover the management and operations of the Authority for a three-year period ("Reporting Period") and should address whether:

- The Authority's operations have been financially sound and conducted in accordance with good utility and engineering practice.
- The physical properties of the Authority have been, in general, well maintained and in good condition.
- The Authority's resources are adequate to serve its load.
- The Authority has appropriate generation resource plans in place to maintain competitive pricing and system reliability and is executing those plans in a commercially reasonable manner.
- Any capital-intensive additions completed or underway during the Reporting Period have been and are being managed in accordance with good utility practice.

In order to make these assessments, the Consultant will (i) perform general field observations of Authority facilities, (ii) conduct interviews with appropriate management personnel, and (iii) review budgets, operating reports, inspection reports (if any), financial statements, planning documents and other records and reports, overall system maps, and other information as deemed appropriate by Consultant.

Consultant understands that Consultant's report will be provided to the Board of Directors of Santee Cooper, the ORS, and the Authority Review Committee.

B) Statement of Conflict Waiver:

Consultant acknowledges that various employees of Black & Veatch have previously performed consulting, engineering, procurement, and/or construction services work for the Authority. Further, various employees of Black & Veatch will likely pursue different upcoming consulting, engineering, procurement, and/or construction services opportunities to be awarded by the Authority during the Reporting Period.

As consideration for the Authority agreeing to enter into this Conflict Waiver, Consultant agrees to keep the following Consultant professionals separate with a virtual fire wall from the other employees of Black

& Veatch with confirmation that no information regarding this Scope of Services will be shared directly with the other employees of Black & Veatch:

- Thiam Giam, Client Executive
- Chris Klausner, Project Director
- Chris Billinger, Project Manager
- Drew Losito, Senior Analyst

By giving this consent, the Authority acknowledges that Consultant has made full disclosure to the Authority of the facts and circumstances surrounding any conflict of interest or potential conflict which may exist now or in the future.

C) Scope of Services:

Upon receipt of notice to proceed (“NTP”), Consultant will complete the below Scope of Services.

Task 1: Kick-off Call and Data Gathering

Consultant will participate in a kick-off conference call with representatives of the Authority to discuss and reconfirm its approach. Consultant will make an assessment based on the initial data available and prepare a data requests for additional data deemed critical to its assessment effort.

Task 2: Site Visit

After having had the opportunity to review the initial data available, Consultant and Authority will discuss and confirm the site visits in which Consultant will participate.

During the site visits, Consultant will visit selected portions of the Authority’s both on-site and off-site generation, transmission, distribution facilities, as well as gas facilities if necessary. If requested, prior to the site visits, Consultant will provide a list of subjects that it anticipates will arise during the site visit. Consultant understands that the time with Authority’s management may be limited and will prioritize the topics to be discussed accordingly.

Consultant has included time for a single site visit trip for up to four professionals, including an allowance of up to four business days for the professionals for the trip.

Task 3: Technical and Design Review

Consultant will provide a summary level review of the general facility designs of Authority’s assets with a focus on the larger value assets or a group of similar assets at system level (such as electric transmission and distribution). This review will include identification of the manufacturers and key features for major equipment at the plants.

Consultant will comment on the general appropriateness and adequacy of the design, and will identify any significant departures from normal industry practice observed.

Task 4: Operations & Maintenance Assessment

Consultant will review O&M practices and records, 10-year historical and 5-year forecast O&M costs, and historical and forecast capital expenditure costs based on available data. Consultant will evaluate Authority’s electric generation, transmission, and distribution organizational structure and staffing levels,

and general O&M practices in comparison to general industry practice. Consultant will comment on the overall staff level for each generation plant and the electric transmission and distribution businesses. Consultant will review and comment on the plans and processes relative to the potential long-term reliability and performance of the facilities. Consultant will review and opine on Authority's ability and the adequacy of its forecast capital expenditures and operating costs to continue to serve its customers/loads consistent with accepted industry practice, as well as the applicable technical, environmental, reliability and safety requirements.

Task 5: Environmental, Health, and Safety Compliance

Consultant will provide a high-level overview of Authority's environmental, health, and safety compliance and risks for the electric and water assets. In particular:

- Consultant will review the corporate level environmental, health, and safety management program to assess its coverage and level of detail for addressing risks, unanticipated events and maintaining compliance with regulatory program and permits requirements.
- Consultant will also provide an overview of the current status of identified major environmental liabilities, as well as potential future liabilities arising from federal and state regulatory programs affecting the renewable energy, fossil fuel generation, water, and electric transmission and distribution industry.

The findings of this corporate level assessment will be included in the overall report. Further, Consultant will provide a more detailed analysis of the potential future environmental and retirement costs associated with Authority's existing generation assets with a focus on their coal units and sites.

Task 6: Gas and Electric System Analysis

Consultant will work with the Authority to review Authority's gas and electric system potential constraints and mitigation plans. Consultant understand that Authority will provide information regarding both gas contracting capabilities and the power flow cases such that Consultant can review these cases for reasonableness and to describe the electric and gas capabilities more generally for the Authority system.

Task 7: Key Inputs to Financial Model

Based on information gathered and reviewed in prior tasks, Consultant will review key technical assumptions (including long term capital expenditures and operating costs) used in Authority's financial model and suggest revisions if required. Consultant understands that this will be an iterative process throughout the review. Consultant will not comment on land related expenses, insurance, or taxes.

Task 8: Technical and Environmental Assessment Report

Based on information gathered and developed in prior tasks, Consultant will develop a comprehensive technical and environmental assessment report (expected to be about 100 pages in length). Consultant anticipates that the report will generally be organized as follows:

- Executive Summary
 - Introduction
 - Scope of Work
 - Approach and Methodology
 - Assumptions
 - Conclusions
 - Generation, Transmission, and Distribution Assets

- Environmental, Health, and Safety
 - Loads and Resources Plan and Financial Forecasts
- Overview of Santee Cooper
 - Santee Cooper Management
 - Summary of Asset Operations
 - Transmission and Distribution Overview
 - Electric Generation
 - Water System Overview
 - Retail Operations
 - Customer Programs
 - Large Customers
 - Safety and Health Performance
 - Historical Capital and O&M Expenditures
 - Historical Capital Expenditures
 - Historical O&M Expenditures
 - Santee Cooper Loads and Resources Plan
 - Supply, Demand, and Resource Adequacy
 - New asset additions or plans in the near term
- Electric Transmission and Distribution Facilities
 - Key System Characteristics
 - Operations and Maintenance
 - Organizational Structure
 - O&M Plan and Procedures
 - Site Visit Observations
 - Historical Performance
 - Historical Performance Benchmarking
- Generating Facilities
 - Assets Overview
 - Operations and Maintenance Overview
 - Coal Fired Plants
 - Overview
 - Design and Major Equipment
 - Operations and Maintenance
 - Site Visit Observations
 - Historical Performance
 - Retirement
 - Environmental Remediation
 - Combustion Turbine Plants
 - Overview
 - Design and Major Equipment
 - Operations and Maintenance
 - Site Visit Observations
 - Historical Performance
 - Reciprocating Engines
 - Overview
 - Design and Major Equipment
 - Operations and Maintenance
 - Site Visit Observations

- Nuclear
 - Overview
 - Design and Major Equipment
 - Operations and Maintenance
 - Site Visit Observations
 - Historical Performance
 - Potential Sale of Unit 2 and 3 Materials and Equipment
- Hydroelectric Generation Plants
 - Overview
 - Design and Major Equipment
 - Operations and Maintenance
 - Site Visit Observations
 - Historical Performance
- Solar Generation Plants
 - Overview
 - Plant Design and Major Equipment
 - Operations and Maintenance
- Water Assets
 - Overview of Water Assets
 - Lake Moultrie Water System
 - Lake Marion Water System
 - Operations and Maintenance
 - Organizational Structure
- Regional Gas Transmission
 - Overview of Regional Transmission Systems
 - Realignment of Regional Pipeline Flows
 - Access to Incremental Gas Transportation and Gas Supplies
- Environmental Compliance Management
 - Corporate Programs
 - Main Business Areas and Overview of Environmental Compliance
 - Conventional Generation
 - Hydroelectric Generation
 - Transmission and Distribution
 - Water Supply Systems
 - Other Items Reviewed
 - Ash Ponds
 - Remediation
 - Pending Regulations of Note
- Financial Forecast
 - CAPEX
 - Generation
 - Transmission and Distribution
 - Other
 - OPEX
 - Generation
 - Transmission and Distribution
- Appendix A. Performance Graphs of Selected Units

Consultant will prepare the draft report and submit it to the Authority for comment. The Authority will then have the opportunity to comment, and Consultant will incorporate appropriate comments into a final report. The final report will be issued within 5-10 business days of resolution of comments from the Authority.

Task 9: Annual Commercial Operation Assessment

In order to complete this annual commercial operation assessment, each year the Consultant will (i) perform general field observations of Authority facilities, (ii) conduct interviews with appropriate management personnel, and (iii) review budgets, operating reports, inspection reports (if any), financial statements, planning documents and other records and reports, overall system maps, and other information as deemed appropriate by Consultant.

For site visit, Consultant will visit selected portions of the Authority's both on-site and off-site generation, transmission, distribution facilities, as well as gas facilities if necessary. If requested, prior to the site visits, Consultant will provide a list of subjects that it anticipates will arise during the site visit. Consultant understands that the time with Authority's management may be limited and will prioritize the topics to be discussed accordingly. Consultant has included time for a single site visit trip for up to four professionals, including an allowance of up to four business days for the professionals for the trip.

Upon completion of each annual commercial operation assessment, Consultant will document its findings and recommendations in a annual commercial operation assessment report that will address whether:

- The Authority's operations have been financially sound and conducted in accordance with good utility and engineering practice.
- The physical properties of the Authority have been, in general, well maintained and in good condition.
- The Authority's resources are adequate to serve its load.
- The Authority has appropriate generation resource plans in place to maintain competitive pricing and system reliability and is executing those plans in a commercially reasonable manner.
- Any capital-intensive additions completed or underway during the Reporting Period have been and are being managed in accordance with good utility practice.

Task 10: Additional Support

Consultant acknowledges that as part of its work it will answer questions about its work products and provide a reasonable amount of verbal, written, and e-mail support to Authority and other stakeholders outside of the report. These support services will be considered additional services and be performed on a fixed fee basis upon request and written approval by Authority. If material changes occur between completion of the final report and the date of the additional report updates requested, additional due diligence may be required to update the report, and such update will be considered an additional service and be performed on a time and materials basis.

D) Schedule:

Consultant will complete the Scope of Services according to the below schedule:

- Tasks 1-8 Scope of Services: A draft report issued within 8 weeks upon receipt of NTP and substantially complete documentation. A final report will be issued within 5-10 business days of receipt of review comments from the Authority.
- Task 9 Annual Commercial Operation Assessment will be completed within 3-4 weeks upon receipt of substantially complete annual progress documentation during for each review period.
- Task 10 Additional Support will be provided, as needed, per a timeline mutually agreed upon between Consultant and Authority in order to meet the transaction timeline needs.

E) Authority's Responsibilities:

Authority will provide access to requested data in timely manner.

F) Compensation:

Consultant will complete the Scope of Services for the following fees:

- Tasks 1-8: US\$150,000 fixed fee, plus applicable non-US taxes
- Task 9: US\$95,000 fixed fee per year
- Task 10 Additional Support and other additional out of scope services will be performed as requested by Authority, on a time and materials basis in accordance with the standard rates in the table below.

TITLE	US\$/HOUR RATE*
Administrative	US\$120
Engineer	US\$190
Analyst	US\$200
Senior Engineer	US\$230
Senior Analyst	US\$260
Senior Process Engineer	US\$275
Senior Process Lead	US\$290
Consultant	US\$310
Manager	US\$360
Principal	US\$380
Managing Director/Director	US\$395
Vice President/Sr Managing Director	US\$405

**The rates are valid until the end of 2021. The rates will increase by approximately 3-5 percent annually on the first day of each year, starting January 2022.*

All above fees and rates are exclusive of non-US taxes, travel and living-related expenses. Travel and living-related expenses and applicable non-US taxes, if incurred, will be billed at cost.

Invoices are due 30 days upon issuance. Payment will be in U.S. dollars.

In developing the above fees, Consultant has made the following assumptions:

- All relevant documents will be made available in the electronic data room upon notice to proceed.
- Review of the first set of documentation in response to the data request and development of one draft report plus incorporation of comments into that draft report to produce a final report is included in the scope of services. Additional drafts requested specifically to incorporate changes or updated information will be prepared on a time and materials basis as additional services.
- The Tasks 1-8 Scope of Services will not be delayed for reasons beyond Consultant's control to allow issuance of report no later than 12 weeks after authorization to proceed.

G) Understanding:

Authority and Consultant agree to use reasonable diligence, to negotiate a mutually acceptable engagement letter with respect to the Scope of Services described in this MOU when Authority is ready to engage Consultant. Based on Consultant's experience Consultant is reasonably confident that the contract terms can be negotiated quickly and without any effect on the engagement schedule. However, until a mutually acceptable engagement letter is fully executed, Consultant will not be able to provide deliverables related to the Scope of Services described herein.

EXHIBIT B**EQUAL OPPORTUNITY STATEMENT**

During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
- (2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (3) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order no. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (4) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (5) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be canceled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (7) The contractor will include the provisions of Paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of Sept. 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non compliance: *Provided, however,* That in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

EXHIBIT C

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
 CERTIFICATION REGARDING DRUG FREE WORKPLACE REQUIREMENTS
 (CONTRACTOR/VENDOR OTHER THAN INDIVIDUALS)

This certification is required by the Drug Free Workplace Act, Act No. 593 of 1990. The regulations require certification by CONTRACTORS/Vendors prior to award, that they will maintain a drug free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when determining the award of a contract/grant. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of contracts/grants, or government wide suspension or debarment.

The CONTRACTOR/Vendor certifies that it will provide a drug free workplace by:

- (1) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the CONTRACTOR'S/Vendor's workplace and specifying the actions that will be taken against employees for violation of the prohibition;
- (2) Establishing a drug free awareness program to inform employees about:
 - (a) The dangers of drug abuse in the workplace;
 - (b) The CONTRACTOR'S/Vendor's policy of maintaining a drug free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug violations;
- (3) Making it a requirement that each employee to be engaged in the performance of the contract/grant be given a copy of the statement required by paragraph (1);
- (4) Notifying the employee in the statement required by paragraph (1) that, as a condition of employment under the contract/grant, the employee will:
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after the conviction;
- (5) Notifying the using agency within ten days after receiving notice under subparagraph (4) (b), from an employee or otherwise receiving actual notice of the conviction;
- (6) Taking one of the following actions, within 30 days of receiving notice under subparagraph (4) (b) with respect to any employee who is convicted –
 - (a) Taking appropriate personnel action against the employee, up to and including termination; or
 - (b) Requiring the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (7) Making a good faith effort to continue to maintain a drug free workplace through implementation of paragraphs (1), (2), (3), (4), (5) and (6).

CONTRACTOR/Vendor Name (as appropriate)

Contract/Grant Number

 Printed Name

 Signature

 Date

EXHIBIT D



STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
**NONRESIDENT TAXPAYER
REGISTRATION AFFIDAVIT
INCOME TAX WITHHOLDING**

1-312
(6/94)
3323

The undersigned nonresident taxpayer on oath, being first duly sworn, hereby certifies as follows:

1. Owner, Partner(s) or Corporate Name of Nonresident Taxpayer:

2. Trade Name (Doing Business As):

3. Mailing Address:

4. Federal Identification Number:

5. _____ Hiring or Contracting with:

Name: _____

Address: _____

_____ Receiving Rentals or Royalties From:

Name: _____

Address: _____

6. I hereby certify that the above named nonresident taxpayer is currently registered with (check the appropriate box):

☐ The South Carolina Secretary of State or

☐ The South Carolina Department of Revenue

Date of Registration: _____

7. I understand that by this registration, the above named nonresident taxpayer has agreed to be subject to the jurisdiction of the South Carolina Department of Revenue and the courts of South Carolina to determine its South Carolina tax liability, including estimated taxes, together with any related interest and penalties.

8. I understand the South Carolina Department of Revenue may revoke the withholding exemption granted under Code Section 12-9-310 at any time it determines that the above named nonresident taxpayer is not cooperating with the Department in the determination of its correct South Carolina tax liability.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Recognizing that I am subject to the criminal penalties under Code Section 12-54-40 (b)(6)(f)(5), I declare that I have examined this affidavit and to the best of my knowledge and belief, it is true, correct and complete.

(Signature of Owner, Partner or Corporate Officer) (Seal) _____
Date

If Corporate officer state title: _____

(Name - Please Print)